Summary of White County 2009 Annual Adjustment Methodology

Method

The sales comparison method was used to adjust the assessments in White County for 2009. The assessments were derived using the Real Property Assessment Guidelines for 2002-Version A. The sales used for the 2009 annual adjustments were from 2007 and 2008. The land base rates and neighborhood factors were examined in each neighborhood and property class. Neighborhoods with an insufficient number of sales were compared to similar neighborhoods. The criteria for comparison were geographic location, similarity of land size and improvement type and age, and any other factors deemed relevant. The neighborhoods with an insufficient number of sales were then adjusted in a similar manner to those with sufficient sales to which they had been compared. Comparisons were also made between adjoining neighborhoods and townships to insure the continuity of land base rates and neighborhood factors.

Industrial Properties

Insufficient sales of improved industrial properties occurred in Honey Creek, Monon, and Prairie Townships. Data was combined from all industrial property sales to evaluate those areas. Sales data indicates that the industrial market is stagnant in White County. The PRD for improved industrial properties in Union Township is outside the boundaries of statistical tolerance. As a result, the Spearman Rank test was performed and indicated that the assessments of improved industrial properties in Union Township are acceptable. A data entry error of the acreage base rates for primary, secondary, and usable undeveloped land in neighborhood 210410 was corrected resulting in some land value changes.

Commercial Properties

Insufficient sales of improved commercial properties occurred in Big Creek, Honey Creek, Jackson, Liberty, Prairie and Princeton Townships. Data was combined from all commercial property sales to evaluate those areas. Sales data indicates that the commercial market is stagnant in White County. A data entry error of the acreage base rates for primary, secondary, and usable undeveloped land in neighborhood 210410 was corrected resulting in some land value changes. New base rates for properties in neighborhood 210409 that have access to 6th Street but not direct frontage were created in lieu of influence factors that had been previously used to adjust the land values.

Residential Properties

Insufficient sales of unimproved residential properties occurred in Honey Creek, Jackson, and Princeton Townships. Data was combined from all residential property sales to evaluate those areas. The median assessed to sale ratio of unimproved residential properties in Monon Township and improved residential properties in Honey Creek and Lincoln Townships are outside the boundaries of statistical tolerance. As a result, the

95% confidence intervals were calculated and the assessments of unimproved residential properties in Monon Township and improved residential properties in Honey Creek and Lincoln Townships are acceptable. The PRD's for unimproved residential properties in Liberty, Monon, Prairie, and Union Townships and the combined township data are outside the boundaries of statistical tolerance. As a result, the Spearman Rank test was performed and indicated that the assessments of unimproved residential properties in Liberty, Monon, Prairie, and Union Townships and the combined township data are acceptable. Sales data indicates that the residential market in White County is stagnant with the exception of properties on Lake Shafer and Lake Freeman. Lake properties in Union Township on both Lake Freeman and Lake Shafer showed a slight decrease in value. Lake properties in Monon Township on Lake Shafer showed a slight decrease in value. The land values of lake properties in Liberty Township on Lake Shafer increased slightly in neighborhoods 100503 and 100505.

Adjustments were made to the front foot base rates in some residential neighborhoods in Brookston, Chalmers, Reynolds, Monticello, and Wolcott because the lot values were disproportionate in magnitude to the overall property values. The model lot frontage for neighborhoods 100508 and 100509 was changed and excess frontage influences were adjusted accordingly in an effort to increase the accuracy of land values in those neighborhoods.